



**Allan G. Bense, Speaker**

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## **Colleges & Universities Committee Meeting**

**March 14, 2006  
Reed Hall, 3:30 PM – 4:00 PM**

**Revised**

**Allan G. Bense  
Speaker**

**David Mealor  
Chair**



# **Florida House of Representatives**

**Allan Bense, Speaker  
Colleges & Universities Committee**

**David Mealor  
Chair**

**Larry Cretul  
Vice Chair**

**Meeting Agenda  
Tuesday, March 14, 2006  
Reed Hall, 3:30 – 4:00 PM**

- I. Convening of Meeting and Call to Order**
- II. Roll Call**
- III. Opening Remarks**
- IV. Consideration of the following bills:**
  - HB 1237 Advanced Science and Technology Research by Mealor**
- V. Closing Comments / Meeting Adjourned**



# HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** HB 1237

Advanced Science and Technology Research

**SPONSOR(S):** Mealor

**TIED BILLS:**

**IDEN./SIM. BILLS:** SB 2084

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Colleges &amp; Universities Committee</u>		Hatfield <i>JCH</i>	Tilton <i>BT</i>
2) <u>Economic Development, Trade &amp; Banking Committee</u>			
3) <u>Education Appropriations Committee</u>			
4) <u>Education Council</u>			
5) _____			

## SUMMARY ANALYSIS

In a January 30, 2006 press release, the Governor launched new economic development initiatives to bolster the state's efforts to diversify and build Florida's Innovation Economy. To coincide with this initiative, the Governor is recommending a \$630 million investment in the 2006-2007 budget for programs that will generate the innovation needed to create the industries of the future; this includes \$200 million to create and fund the 21<sup>st</sup> Century Technology, Research and Scholarship Enhancement Act.

The bill creates the 21<sup>st</sup> Century Technology, Research, and Scholarship Enhancement Act (the Act). The Act provides for the creation of the Florida Technology, Research, and Scholarship Board (the board) within the Board of Governors (BOG) to guide the establishment of Centers of Excellence and the attraction of world class scholars. The board is charged with recommending criteria to the BOG for the 21<sup>st</sup> Century World Class Scholars Program (the program) and with providing guidance to the BOG regarding the implementation and administration of the Centers of Excellence. The Act expires June 30, 2011.

The bill provides for the allocation of resources to attract world class scholars to state universities by cofunding endowments for salaries and operating funds and cofunding the purchase of equipment in support of the scholar's research. The bill requires that no less than \$1 million in private funds be coinvested with state dollars to recruit a 21<sup>st</sup> Century World Class Scholar and prohibits state appropriations to be used for this purpose. Private funding is eligible for a one-to-one match from the state.

The bill provides for the creation or expansion of Centers of Excellence. Applicants may include entities other than state universities; however, all applicants must submit and demonstrate coordination with one or more state university in order to be eligible for funding. The bill requires the board to recommend to the BOG criteria for the approval of proposals to create or expand a center and provides guidelines for the criteria. The bill also requires the board to recommend to the BOG for approval and funding the proposals that meet the approved criteria.

The bill appropriates \$100 million to the 21<sup>st</sup> Century World Class Scholars Program, \$100 million to the Centers of Excellence Program, and \$399,437 to the BOG for the fiscal year 2006-2007 to implement the Act. See the FISCAL COMMENTS section for further details.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. HOUSE PRINCIPLES ANALYSIS:

Provide limited government—The bill creates the Florida Technology, Research, and Scholarship Board (the board) within the Board of Governors (BOG), requires certain duties of the board, and requires the BOG to provide staff support and other support for the board.

#### B. EFFECT OF PROPOSED CHANGES:

##### **Background**

In 2002, the Governor proposed \$100 million for the creation of Centers of Excellence to increase technology research at state universities and diversify the state's economy by stimulating the high-tech economic job sector. Three Centers of Excellence were created: the Center of Excellence in Biomedical and Marine Biotechnology at Florida Atlantic University, the Florida Photonics Center of Excellence at the University of Central Florida, and the Center of Excellence in Regenerative Health Biotechnology at the University of Florida. The Legislature provided \$30 million for these Centers of Excellence in the 2002-2003 General Appropriations Act (GAA).<sup>1</sup>

According to the BOG, as of January 2006, the centers have leveraged the state's investment to achieve the following outcomes:

FISCAL PERFORMANCE MEASURES	FAU	UCF	UF	TOTAL
Amount Of:				
Initial State Funds Awarded	\$10,000,000	\$10,000,000	\$10,000,000	\$30,000,000
Venture Funding Attracted	\$0	\$10,500,000	\$0	\$10,500,000
Other State Grants and Funds Awarded	\$827,138	\$5,062,900	\$0	\$5,890,038
Federal Research Funds Awarded	\$18,789,389	\$15,970,187	\$3,250,000	\$38,009,576
Private Research Funds Awarded	\$3,157,859	\$8,952,539	\$10,000	\$12,120,398
Foundation Funds Invested	\$2,300,000	\$0	\$10,000,000	\$12,300,000
License Income Earned	\$5,500	\$181,250	\$0	\$186,750
<b>TOTAL</b>				<b>\$109,006,762</b>

<sup>1</sup> 2002-2003 General Appropriations Act, Specific Appropriation 173A.

In addition to their performance on fiscal measures, the centers report the following measures of research productivity:

<b>PRODUCTIVITY PERFORMANCE MEASURES<sup>2</sup></b>	<b>FAU</b>	<b>UCF</b>	<b>UF</b>	<b>TOTAL</b>
<u>Number Of:</u>				
Research Studies and Articles Published	55	138	125	318
Research Collaborations	27	29	2	58
K-20 Students and Teachers Served	2470	15	100	2585
Industry Internships Granted to Graduate Students	3	15	0	18
Patents Filed	21	40	0	61
Patents Issued	23	14	0	37
Technologies Licensed	3	3	0	6
Affiliated Companies	0	2	1	3
Start up Businesses	3	4	0	7
Out-of-State Businesses Contacted	31	34	5	70
Contacts with Venture Capitalists	14	10	3	27

In a January 30, 2006 press release, the Governor launched new economic development initiatives to bolster the state's efforts to diversify and build Florida's Innovation Economy. To coincide with this initiative, the Governor is recommending a \$630 million investment in the 2006-2007 budget for programs that will generate the innovation needed to create the industries of the future; this includes \$200 million to create and fund the 21<sup>st</sup> Century Technology, Research and Scholarship Enhancement Act.

- \$100 million is to be used to create and expand the Centers of Excellence around key sectors of the economy. According to the press release, this program would allow state universities and their research partners to leverage public and private dollars to build the infrastructure to support emerging research and development projects. The collaboration between industry and academia would help drive inventions and innovations from the lab to the marketplace.
- \$100 million is to be used to create the World Class Scholars Program. According to the press release, this program would give universities the financial resources to attract leading researchers from around the globe to Florida. Funds may be used for incentives, including building labs, providing high-tech equipment or funding support staff. The state would match the investment of universities dollar-for-dollar.

### **Effects of Proposed Changes**

The bill creates the 21<sup>st</sup> Century Technology, Research, and Scholarship Enhancement Act (the Act) and provides legislative findings and intent on why this is important for Florida.

The purpose of the Act is to:

- Invest in programs that attract world class scholars and building centers as an important means of increasing technology-based business in this state.
- Require coinvestment as a means of leveraging state dollars.
- Align research and development efforts with established, statewide economic-development strategies, including an emphasis on identified economic clusters.
- Facilitate value-added job creation through continuous improvement in university research, as well as entrepreneurship and capital-development programs.
- Establish Florida as a leading state for entrepreneurship and innovation, with continued commitment to university centers and an expanding base of research and development.

The bill defines the following terms for purposes of the Act:

- "A 21<sup>st</sup> Century World Class Scholar" means a principle researcher/investigator who has high academic credentials, demonstrated competence, and experience that meets the requirements established by the board for a 21<sup>st</sup> Century World Class Scholar.
- "Applicant" means any state university, private university located in this state, or any private or public research center, community college, or training center in this state which coordinates with a state university for purposes of this act.
- "Board" means the Florida Technology, Research, and Scholarship Board.
- "Center of Excellence" means an organization of personnel, facilities, and equipment established at or in collaboration with one or more state universities to accomplish the purposes and objectives of this act.
- "Research center" means an institute, center, or clinic that includes research and development or education as a principal mission of the organization.
- "State university" means a Florida public university as defined in s. 1000.21, F.S.

### ***Florida Technology, Research, and Scholarship Board***

The bill creates the Florida Technology, Research, and Scholarship Board (the board) within the Board of Governors (BOG) to guide the establishment of centers and the attraction of world class scholars. The board consists of 11 members, seven of whom must be appointed by the Governor, two appointed by the President of the Senate, and two appointed by the Speaker of the House. The Governor's appointees must include a member of the board of directors of Enterprise Florida, Inc., and a member of the BOG. Appointed members must be representative of business leaders, industrial researchers, academic researchers, scientists, and leaders in the emerging and advanced technology sector and may not serve more than four years. The chair of the board is appointed by the Governor.

The board members serve without compensation, but are entitled to reimbursement for per diem and travel expenses in accordance with s. 112.061, F.S. The BOG must provide support staff for the activities of the board and per diem and travel expenses for board members.

The board is charged with recommending to the BOG criteria for the 21<sup>st</sup> Century World Class Scholars Program and with providing guidance to the BOG regarding the implementation and administration of the Centers of Excellence Program. In addition, the board must recommend to the BOG the qualifications, standards, and requirements for approval of investments in Centers of Excellence. The bill provides that the board may form committees of its members and encourages the board to consult with certain research entities whose input may be helpful in determining the requirements and standards for the Centers of Excellence Program.

### ***21<sup>st</sup> Century World Class Scholars Program***

The bill provides for the allocation of resources to attract world class scholars to state universities by cofunding endowments for salaries and operating funds and the purchase of equipment in support of the scholar's research. The bill requires the World Class Scholars Program to be used as a tool to develop the state's capabilities in science and high-technology research, emphasizing Florida's identified strengths in science and technology disciplines while also recognizing new technologies as they may emerge.

The bill requires the board to consult with certain state university officials, the Office of Tourism, Trade, and Economic Development, the board of directors of Enterprise Florida, Inc., and leading members of the private industry, to develop and recommend to the BOG the criteria for the World Class Scholars Program. In developing the recommended criteria for the World Class Scholars Program, the board must consider certain guidelines to judge a state university's qualification for an award.

The bill requires that no less than \$1 million in private funds be coinvested with state dollars to recruit a 21<sup>st</sup> Century World Class Scholar and prohibits state appropriations to be used for this purpose. Upon verification by the BOG that a state university has met the criteria for a 21<sup>st</sup> Century World Class Scholar, the BOG must immediately release matching funds to the university's endowment in support of

the scholar. Private funding is eligible for a one-to-one match from the state. The bill provides for endowment proceeds to be used for the salary or to supplement the salary of the 21<sup>st</sup> Century World Class Scholar or for individuals directly associated with the scholar's research and for expenses related to the research.

The bill provides that the Act does not replace or obviate existing programs.

### ***Centers of Excellence***

The bill also specifies the purposes and objectives of Centers of Excellence, which include recruiting and retaining world class scholars. The bill requires the board to recommend to the BOG criteria for approving proposals to create or expand Centers of Excellence and provides certain factors the criteria must consider.

The bill requires the board to periodically solicit proposals for Centers of Excellence. Applicants may include entities other than state universities; however, all applicants must submit and demonstrate coordination with one or more state universities in order to be eligible for funding. The board must notify the president of each state university and applicable research centers in this state of the call for proposals.

The board must recommend to the BOG for approval and funding the proposals that meet the approved criteria. If no program is judged worthy of approval during a solicitation cycle, an approval does not have to be made. The bill provides that the Act does not establish a limit for an investment amount; however, any approval for a single center exceeding \$20 million must be documented to have superior prospects for success in its field of research and offer outstanding opportunities to leverage state dollars.

The bill requires a Center of Excellence that receives funding under the Act to provide at least annual reports to the board and the BOG concerning its achievement of objectives as identified in the approved proposal.

### ***Other Provisions***

The BOG is required to issue an annual report by December 31 of each year that provides information relating to the World Class Scholars Program and the created or expanded Centers of Excellence. The annual BOG report must be presented to the Governor, the President of the Senate, and the Speaker of the House of Representatives. The report must include a copy of an independent audit of the board and a review of the progress of the programs established pursuant to the Act.

The Act expires June 30, 2011.

The bill appropriates \$100 million to the 21<sup>st</sup> Century World Class Scholars Program, \$100 million to the Centers of Excellence Program, and \$399,437 to the BOG for the fiscal year 2006-2007 to implement this Act. See the FISCAL COMMENTS section for further details.

The bill provides an effective date of July 1, 2006.

## **C. SECTION DIRECTORY:**

**Section 1:** Creates s. 1004.226, F.S., the 21<sup>st</sup> Century Technology, Research, and Scholarship Enhancement Act; providing legislative findings and intent; providing definitions; creating the Florida Technology, Research, and Scholarship Board within the Board of Governors; providing for members of the board and terms; providing for board members to be reimbursed for per diem and expenses incurred in the performance of their duties; requiring that the Board of Governors provide staff support and other support for the board; requiring that the board provide recommendations for the 21<sup>st</sup> Century World Class Scholars Program and the Centers of Excellence Program; authorizing the board to form committees and consult with certain other entities; providing for the 21<sup>st</sup> Century World Class Scholar Program to provide matching funds to state universities to pay salaries and support research in science and technology; providing guidelines for the board in the development of criteria for recommendation to



the Board of Governors; requiring a minimum investment of private funds; specifying the purposes of the Centers of Excellence; requiring the board to recommend to the Board of Governors criteria for approving proposals to create or expand a Center of Excellence, to solicit proposals, and to recommend proposals that meet such criteria; requiring documentation if funds are approved for a Center of Excellence in excess of a specified amount; requiring reports by Centers of Excellence and the Board of Governors; and providing for the expiration of the act.

**Section 2:** Appropriates \$200 million from nonrecurring general revenue for the 2006-2007 fiscal year to the Board of Governors, of which \$100 million is allocated for the 21<sup>st</sup> Century World Class Scholars Program and \$100 million for the Centers of Excellence Program; and provides for carrying forward certain unexpended balances.

**Section 3:** Appropriates certain sums of money and full-time positions to the Board of Governors for the 2006-2007 fiscal year, for the purpose of administering this act.

**Section 4:** Provides an effective date of July 1, 2006.

## **II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT**

### **A. FISCAL IMPACT ON STATE GOVERNMENT:**

#### **1. Revenues:**

See FISCAL COMMENTS.

#### **2. Expenditures:**

See FISCAL COMMENTS.

### **B. FISCAL IMPACT ON LOCAL GOVERNMENTS:**

#### **1. Revenues:**

The bill does not appear to have a fiscal impact on local government revenues.

#### **2. Expenditures:**

The bill does not appear to have a fiscal impact on local government expenditures.

### **C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:**

The bill provides for the establishment of the 21<sup>st</sup> Century World Class Scholars Program and the creation or expansion of Centers of Excellence. These programs may increase the economic development in this state which in turn may provide for additional employment opportunities for Florida citizens.

### **D. FISCAL COMMENTS:**

For the fiscal year 2006-2007, the bill appropriates a total of \$200 million from nonrecurring general revenue to the BOG, of which \$100 million must be allocated for the 21<sup>st</sup> Century World Class Scholars Program and \$100 million for the Centers of Excellence Program. The bill requires any unexpended balance from this appropriation to be carried forward at the end of each fiscal year until the 2009-2010 fiscal year. At the end of the 2009-2010 fiscal year, any remaining balance that has not been distributed by the BOG must revert unallocated to the General Revenue Fund.

The bill also appropriates a total of \$399,437 and two full-time equivalent positions to the BOG for the 2006-2007 fiscal year for the purpose of administering this Act. The total appropriation provides for the following:

- Two full-time equivalent positions and \$130,000 in approved annual salary rate.
- The sum of \$162,959 from recurring general revenue funds for salaries and benefits.
- The sum of \$101,892 from recurring general revenue funds for expenses.
- The sum of \$3,800 from nonrecurring general revenue funds for operating capital outlay.
- The sum of \$786 from recurring general revenue funds for transfer to the Department of Management Services for the Human Resources Services Statewide Contract.

### **III. COMMENTS**

#### **A. CONSTITUTIONAL ISSUES:**

##### **1. Applicability of Municipality/County Mandates Provision:**

The bill does not require a municipality or county to spend funds or to take any action requiring the expenditure of funds.

##### **2. Other:**

None

#### **B. RULE-MAKING AUTHORITY:**

None

#### **C. DRAFTING ISSUES OR OTHER COMMENTS:**

### **IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES**

1                                   A bill to be entitled  
2       An act relating to advanced science and technology  
3       research; creating s. 1004.226, F.S.; creating the 21st  
4       Century Technology, Research, and Scholarship Enhancement  
5       Act; providing legislative findings and intent; providing  
6       definitions; creating the Florida Technology, Research,  
7       and Scholarship Board within the Board of Governors of the  
8       State University System; providing for members of the  
9       board; providing for terms; providing for board members to  
10      be reimbursed for per diem and expenses incurred in the  
11      performance of their duties; requiring that the Board of  
12      Governors of the State University System provide staff  
13      support and other support for the board; requiring that  
14      the board provide recommendations for the 21st Century  
15      World Class Scholars Program and the Centers of Excellence  
16      Program; authorizing the board to form committees and  
17      consult with certain other entities; providing for the  
18      21st Century World Class Scholars Program to provide  
19      matching funds to state universities to pay salaries and  
20      support research in science and technology; providing  
21      guidelines for the board in the development of criteria  
22      for recommendation to the Board of Governors; requiring a  
23      minimum investment of private funds; specifying the  
24      purposes of the Centers of Excellence; requiring the board  
25      to recommend to the Board of Governors criteria for  
26      approving proposals to create or expand a Center of  
27      Excellence, to solicit proposals, and to recommend  
28      proposals that meet such criteria; requiring documentation

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if funds are approved for a Center of Excellence in excess of a specified amount; requiring reports by Centers of Excellence and the Board of Governors; providing for expiration of the act; providing appropriations and authorizing positions; providing for carrying forward certain unexpended balances; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Section 1004.226, Florida Statutes, is created to read:

1004.226 The 21st Century Technology, Research, and Scholarship Enhancement Act.--

(1) LEGISLATIVE FINDINGS AND INTENT.--

(a) The Legislature finds that diversifying this state's economy requires a focus on building a growing base of high-wage jobs and on nurturing those technologies and clusters that will be the foundation of Florida's growing economic diversity and prosperity.

(b) The Legislature further finds that special programs are needed to facilitate the recruitment of exceptional talent to Florida's research universities and centers and to provide the infrastructure and resources that precipitate joint efforts and coinvestment among state research and development institutions, private industry, and government. Florida needs consistent commitment and investment in order to further the state's strategy of capitalizing on innovative research and development to build a thriving, technology-rich economy.

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(2) CREATION.--The 21st Century Technology, Research, and Scholarship Enhancement Act is created for the purpose of:

(a) Investing in programs that attract world class scholars and building Centers of Excellence as an important means of increasing technology-based business in this state;

(b) Requiring coinvestment as a means of leveraging state dollars;

(c) Aligning research and development efforts with established, statewide economic-development strategies, including an emphasis on identified economic clusters;

(d) Facilitating value-added job creation through continuous improvement in university research, as well as entrepreneurship and capital-development programs; and

(e) Establishing Florida as a leading state for entrepreneurship and innovation, with continued commitment to university Centers of Excellence and an expanding base of research and development.

(3) DEFINITIONS.--As used in this section, the term:

(a) "A 21st Century World Class Scholar" means a principal researcher/investigator who has high academic credentials, demonstrated competence, and experience that meets the requirements established by the board for a 21st Century World Class Scholar.

(b) "Applicant" means any state university, private university located in this state, or any private or public research center, community college, or training center in this state which coordinates with a state university for purposes of this act.

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(c) "Board" means the Florida Technology, Research, and Scholarship Board.

(d) "Center of Excellence" means an organization of personnel, facilities, and equipment established at or in collaboration with one or more state universities to accomplish the purposes and objectives of this act.

(e) "Research center" means an institute, center, or clinic that includes research and development or education as a principal mission of the organization.

(f) "State university" means a Florida public university as defined in s. 1000.21.

(4) FLORIDA TECHNOLOGY, RESEARCH, AND SCHOLARSHIP BOARD.--The Florida Technology, Research, and Scholarship Board is created within the Board of Governors of the State University System to guide the establishment of Centers of Excellence and the attraction of world class scholars.

(a) The board shall consist of 11 members. Seven members shall be appointed by the Governor, one of whom the Governor shall appoint as chair of the board, and one of whom must be a member of the board of directors of Enterprise Florida, Inc., and one of whom must be a member of the Board of Governors of the State University System. Two members shall be appointed by the President of the Senate and two members shall be appointed by the Speaker of the House of Representatives. Appointed members must be representative of business leaders, industrial researchers, academic researchers, scientists, and leaders in the emerging and advanced technology sector. Appointed members may not serve for more than 4 years and any vacancy that occurs

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during these appointees' terms shall be filled in the same manner as the original appointment. A majority of members constitutes a quorum.

(b) Members of the board shall serve without compensation, but are entitled to receive reimbursement for per diem and travel expenses in accordance with s. 112.061 while in the performance of their duties.

(c) The Board of Governors shall provide staff support for the activities of the board and per diem and travel expenses for board members.

(d) The board is charged with recommending criteria to the Board of Governors for the 21st Century World Class Scholars Program and with providing guidance to the Board of Governors regarding the implementation and administration of the Centers of Excellence Program. The board shall recommend to the Board of Governors the qualifications, standards, and requirements for approval of investments in Centers of Excellence under this act. The board may form committees of its members, and is encouraged to consult with Enterprise Florida, Inc., the Florida Research Consortium, Bio-Florida, IT Florida, the Florida Aviation and Aerospace Alliance, and any other entity whose input may be helpful in determining the requirements and standards for the program.

(5) THE 21ST CENTURY WORLD CLASS SCHOLARS PROGRAM.--

(a) This act allocates resources to attract 21st Century World Class Scholars to state universities by cofunding endowments for salaries and operating funds and cofunding the purchase of equipment in support of the scholar's research.

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(b) The 21st Century World Class Scholars Program shall be used as a tool to develop the state's capabilities in science and high-technology research, emphasizing Florida's identified strengths in science and technology disciplines while also recognizing new technologies as they may emerge.

(c) The board, in consultation with senior administrators of state universities, state university foundation directors, the Office of Tourism, Trade, and Economic Development, the board of directors of Enterprise Florida, Inc., and leading members of private industry, shall develop and recommend to the Board of Governors criteria for the 21st Century World Class Scholars Program.

(d) In developing the recommended criteria for the 21st Century World Class Scholars Program, the board shall consider the following guidelines to judge a state university's qualification for an award:

1. The presence of distinguished faculty members, including whether the university has a substantial history of external funding, along with the strong potential for attracting a scholar of national or international eminence.

2. The presence of academically outstanding graduate students, along with the promise and potential for attracting additional highly qualified students.

3. The presence of adequate research and scholarly support services.

4. The existence of an academic environment having appropriate infrastructure, including buildings, classrooms, libraries, laboratories, and specialized equipment, which is



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conducive to the conduct of the highest quality of scholarship and research.

5. The demonstration of concordance with Florida's strategic plan for economic development or an emphasis on one or more emerging sciences or technologies that could favorably impact the state's economic future.

(e) A minimum amount of private funds, no less than \$1 million, must be coinvested with state dollars to recruit a 21st Century World Class Scholar. State appropriations may not be used for this purpose.

(f) Upon the verification by the Board of Governors that a state university has met the criteria for a 21st Century World Class Scholar, the Board of Governors shall immediately release matching funds to the university's endowment in support of the scholar. Private funding shall be eligible for a one-to-one match from the state. Endowment proceeds may be used for the salary or to supplement the salary of the 21st Century World Class Scholar or for individuals directly associated with the scholar's research and for expenses related to the research.

(g) This act does not replace or obviate existing programs. (6) CENTERS OF EXCELLENCE.--

(a) The purposes and objectives of a Center of Excellence include:

1. Identifying and pursuing opportunities for university scholars, research center scientists and engineers, and private businesses to form collaborative partnerships to foster and promote the research required to develop commercially promising, advanced, and innovative science and technology and to transfer

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those discoveries to commercial sectors.

2. Acquiring and leveraging public-sector and private-sector funding to provide the totality of funds, personnel, facilities, equipment, and other resources needed to support the research required to develop commercially promising, advanced, and innovative science and technology and to transfer those discoveries to commercial sectors.

3. Recruiting and retaining world class scholars, high-performing students, and leading scientists and engineers in technology disciplines to engage in research in this state and to develop commercially promising, advanced, and innovative science and technology.

4. Enhancing and expanding science and technology curricula and laboratory resources at universities and research centers in this state.

5. Increasing the number of high-performing students in science and technology disciplines who graduate from universities in this state and pursue careers in this state.

6. Stimulating and supporting the inception, growth, and diversification of science and technology-based businesses and ventures in Florida and increasing employment opportunities for the workforce needed to support such businesses.

(b) The board shall recommend to the Board of Governors criteria for approving proposals to create or expand a Center of Excellence. Such criteria must consider:

1. The maturity of the applicant's existing programs relating to a proposed Center of Excellence.

2. The comprehensiveness and effectiveness of site plans

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225 relating to a proposed Center of Excellence.

226 3. The existing amount of the applicant's resources  
 227 dedicated to activities relating to a proposed Center of  
 228 Excellence.

229 4. The regional economic structure and climate.

230 5. The degree to which the applicant identifies and seizes  
 231 opportunities to collaborate with other public or private  
 232 entities for research purposes.

233 6. The presence of a comprehensive performance and  
 234 accountability measurement system.

235 7. The use of an integrated research and development  
 236 strategy using multiple levels of the educational system.

237 8. The ability of the applicant to raise research funds  
 238 and leverage public and private investment dollars to support  
 239 advanced and emerging scientific and technological research and  
 240 development projects.

241 9. The degree to which the applicant transfers advanced  
 242 and emerging sciences and technologies from its laboratories to  
 243 the commercial sector.

244 10. The degree to which the applicant stimulates and  
 245 supports the creation of new ventures.

246 11. The existence of a plan to enhance academic curricula  
 247 by improving communication between academia and industry.

248 12. The existence of a plan to increase the number,  
 249 quality, and retention rate of faculty and graduate students in  
 250 advancing and emerging science and technology-based disciplines.

251 13. The existence of a plan to increase the likelihood of  
 252 faculty and graduate students pursuing private-sector careers in

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the state.

14. The ability of the applicant to provide capital facilities necessary to support research and development.

(c) The board shall periodically solicit proposals for Centers of Excellence. The board may issue broad solicitations for applicants to establish a Center of Excellence, including entities other than state universities. All applicants must submit and demonstrate coordination with one or more state universities in order to be eligible for funding. The board may solicit proposals for a more defined Center of Excellence that is intended to meet identified needs or capitalize on perceived technology and research opportunities. The board shall notify the president of each state university and applicable research centers in this state of the call for proposals.

(d) The board shall recommend to the Board of Governors for approval and funding those proposals that meet the criteria approved by the Board of Governors.

(e) If no proposal is judged worthy of approval during a solicitation cycle, an approval need not be made. This act does not establish a limit for an investment amount; however, any approval for a single Center of Excellence exceeding \$20 million must be documented to have superior prospects for success in its field of research and offer outstanding opportunities to leverage state dollars.

(7) ANNUAL REPORT.--

(a) Any Center of Excellence receiving funding pursuant to this section shall provide at least annual reports to the board and the Board of Governors concerning its achievement of

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objectives as identified and presented in the approved proposal.

(b) The Board of Governors of the State University System shall issue an annual report by December 31 each year of the activities conducted, including the accomplishments and overall economic benefits to the state, the number of 21st Century World Class Scholars attracted, the number of Centers of Excellence created or expanded, the success of collaborations with related industries, and the success of these programs. The annual report shall be presented to the Governor, the President of the Senate, and the Speaker of the House of Representatives. The annual report must include a copy of an independent audit of the board and a review of the progress of programs established pursuant to this section.

(8) EXPIRATION.--This section shall expire June 30, 2011.

Section 2. For the 2006-2007 fiscal year, the sum of \$200 million is appropriated from nonrecurring general revenue to the Board of Governors of the State University System, of which \$100 million shall be allocated for the 21st Century World Class Scholars Program and \$100 million for the Centers of Excellence Program. Notwithstanding s. 216.301, Florida Statutes, and pursuant to s. 216.351, Florida Statutes, any unexpended balance from this appropriation shall be carried forward at the end of each fiscal year until the 2009-2010 fiscal year. At the end of the 2009-2010 fiscal year, any remaining balance of this appropriation which has not been disbursed by the Board of Governors shall revert unallocated to the General Revenue Fund.

Section 3. The following sums of money and full-time equivalent positions are appropriated to the Board of Governors

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309 of the State University System for the 2006-2007 fiscal year for  
310 the purpose of administering this act:

311 (1) Two full-time equivalent positions and 130,000 in  
312 approved annual salary rate;

313 (2) The sum of \$162,959 from recurring general revenue  
314 funds for salaries and benefits;

315 (3) The sum of \$101,892 from recurring general revenue  
316 funds for expenses;

317 (4) The sum of \$3,800 from nonrecurring general revenue  
318 funds for operating capital outlay; and

319 (5) The sum of \$786 from recurring general revenue funds  
320 for transfer to the Department of Management Services for the  
321 Human Resource Services Statewide Contract.

322 Section 4. This act shall take effect July 1, 2006.

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. 1

Bill No. 1237

COUNCIL/COMMITTEE ACTION

ADOPTED \_\_\_\_\_ (Y/N)  
ADOPTED AS AMENDED \_\_\_\_\_ (Y/N)  
ADOPTED W/O OBJECTION \_\_\_\_\_ (Y/N)  
FAILED TO ADOPT \_\_\_\_\_ (Y/N)  
WITHDRAWN \_\_\_\_\_ (Y/N)  
OTHER \_\_\_\_\_

Council/Committee hearing bill: Colleges & Universities

Committee

Representative Mealor offered the following:

**Amendment (with title amendment)**

Remove line(s) 136-304 and insert:

(5) THE 21ST CENTURY WORLD CLASS SCHOLARS PROGRAM.--

(a) This act allocates state matching funds to attract  
21st Century World Class Scholars to state universities.

(b) The 21st Century World Class Scholars Program shall be  
used as a tool to develop the state's capabilities in science  
and high-technology research, emphasizing Florida's identified  
strengths in science and technology while also recognizing new  
technologies as they may emerge.

(c) The board, in consultation with senior administrators  
of state universities, state university foundation directors,  
the Office of Tourism, Trade, and Economic Development, the  
board of directors of Enterprise Florida, Inc., and leading  
members of private industry, shall develop and recommend to the  
Board of Governors criteria for the 21st Century World Class

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21 Scholars Program. Such criteria shall address, at a minimum, the  
22 following:

23 1. The presence of distinguished faculty members,  
24 including whether the university has a substantial history of  
25 external funding, along with the strong potential for attracting  
26 a scholar of national or international eminence.

27 2. The presence of academically outstanding students,  
28 along with the promise and potential for attracting additional  
29 highly qualified students.

30 3. The presence of adequate research and scholarly support  
31 services.

32 4. The existence of an academic environment having  
33 appropriate infrastructure, including buildings, classrooms,  
34 libraries, laboratories, and specialized equipment, which is  
35 conducive to the conduct of the highest quality of scholarship  
36 and research.

37 5. The demonstration of concordance with Florida's  
38 strategic plan for economic development or an emphasis on one or  
39 more emerging sciences or technologies that could favorably  
40 impact the state's economic future.

41 (d) A state university must raise a minimum of \$1 million  
42 to be eligible for state matching funds to recruit a 21<sup>st</sup> Century  
43 World Class Scholar. Funds raised by the university shall be  
44 eligible for a one-to-one match from the state. Revenues  
45 received from state appropriations, student tuition and fees,  
46 and state funded contracts or grants are not eligible for state  
47 match.

48 (e) Upon the verification by the Board of Governors that a  
49 state university has met the criteria for a 21st Century World  
50 Class Scholar, the Board of Governors shall release matching

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HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

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51 funds to the university. Funds shall be used for the purpose of  
52 recruiting a 21<sup>st</sup> Century World Class Scholar and shall be  
53 expended according to an expenditure plan approved by the Board  
54 of Governors.

55 (f) Nothing in this act is intended to replace or obviate  
56 existing programs.

57 (6) CENTERS OF EXCELLENCE.--

58 (a) The purposes and objectives of a Center of Excellence  
59 include:

60 1. Identifying and pursuing opportunities for university  
61 scholars, research center scientists and engineers, and private  
62 businesses to form collaborative partnerships to foster and  
63 promote the research required to develop commercially promising,  
64 advanced, and innovative science and technology and to transfer  
65 those discoveries to commercial sectors.

66 2. Acquiring and leveraging public-sector and private-  
67 sector funding to provide the totality of funds, personnel,  
68 facilities, equipment, and other resources needed to support the  
69 research required to develop commercially promising, advanced,  
70 and innovative science and technology and to transfer those  
71 discoveries to commercial sectors.

72 3. Recruiting and retaining world class scholars, high-  
73 performing students, and leading scientists and engineers in  
74 technology disciplines to engage in research in this state and  
75 to develop commercially promising, advanced, and innovative  
76 science and technology.

77 4. Enhancing and expanding science and technology  
78 curricula and laboratory resources at universities and research  
79 centers in this state.

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80       5. Increasing the number of high-performing students in  
81 science and technology disciplines who graduate from  
82 universities in this state and pursue careers in this state.

83       6. Stimulating and supporting the inception, growth, and  
84 diversification of science and technology-based businesses and  
85 ventures in Florida and increasing employment opportunities for  
86 the workforce needed to support such businesses.

87       (b) The board shall recommend to the Board of Governors  
88 criteria for approving proposals to create or expand a Center of  
89 Excellence. Such criteria shall consider:

90       1. The maturity of the applicant's existing programs  
91 relating to a proposed Center of Excellence.

92       2. The comprehensiveness and effectiveness of site plans  
93 relating to a proposed Center of Excellence.

94       3. The existing amount of the applicant's resources  
95 dedicated to activities relating to a proposed Center of  
96 Excellence.

97       4. The regional economic structure and climate.

98       5. The degree to which the applicant identifies and seizes  
99 opportunities to collaborate with other public or private  
100 entities for research purposes.

101       6. The presence of a comprehensive performance and  
102 accountability measurement system.

103       7. The use of an integrated research and development  
104 strategy using multiple levels of the educational system.

105       8. The ability of the applicant to raise research funds  
106 and leverage public and private investment dollars to support  
107 advanced and emerging scientific and technological research and  
108 development projects.

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109        9. The degree to which the applicant transfers advanced  
110 and emerging sciences and technologies from its laboratories to  
111 the commercial sector.

112        10. The degree to which the applicant stimulates and  
113 supports the creation of new ventures.

114        11. The existence of a plan to enhance academic curricula  
115 by improving communication between academia and industry.

116        12. The existence of a plan to increase the number,  
117 quality, and retention rate of faculty and graduate students in  
118 advancing and emerging science and technology-based disciplines.

119        13. The existence of a plan to increase the likelihood of  
120 faculty and graduate students pursuing private-sector careers in  
121 the state.

122        14. The ability of the applicant to provide capital  
123 facilities necessary to support research and development.

124        (c) The board shall periodically solicit proposals for  
125 Centers of Excellence. The board may issue broad solicitations  
126 for applicants to establish a Center of Excellence, including  
127 entities other than state universities. All applicants must  
128 submit and demonstrate coordination with one or more state  
129 universities in order to be eligible for funding. The board may  
130 solicit proposals for a more defined Center of Excellence that  
131 is intended to meet identified needs or capitalize on perceived  
132 technology and research opportunities. The board shall notify  
133 the president of each state university and applicable research  
134 centers in this state of the call for proposals.

135        (d) The board shall recommend to the Board of Governors  
136 for approval and funding those proposals that meet the criteria  
137 approved by the Board of Governors.

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138        (e) If no proposal is judged worthy of approval during a  
139 solicitation cycle, an approval need not be made. This act does  
140 not establish a limit for an investment amount; however, any  
141 approval for a single Center of Excellence exceeding \$20 million  
142 must be documented to have superior prospects for success in its  
143 field of research and offer outstanding opportunities to  
144 leverage state dollars.

145        (7) ANNUAL REPORT.--

146        (a) Any Center of Excellence receiving funding pursuant to  
147 this section shall provide at least annual reports to the board  
148 and the Board of Governors concerning its achievement of  
149 objectives as identified and presented in the approved proposal.

150        (b) The Board of Governors of the State University System  
151 shall issue an annual report by December 31 each year of the  
152 activities conducted, including the accomplishments and overall  
153 economic benefits to the state, the number of 21st Century World  
154 Class Scholars attracted, the number of Centers of Excellence  
155 created or expanded, the success of collaborations with related  
156 industries, and the success of these programs. The annual report  
157 shall be presented to the Governor, the President of the Senate,  
158 and the Speaker of the House of Representatives. The annual  
159 report must include a copy of an independent audit of the board  
160 and a review of the progress of programs established pursuant to  
161 this section.

162        (8) EXPIRATION.--This section shall expire June 30, 2011.

163        Section 2. For the 2006-2007 fiscal year, the sum of \$200  
164 million is appropriated from nonrecurring general revenue to the  
165 Board of Governors of the State University System, of which \$100  
166 million shall be allocated for the 21st Century World Class  
167 Scholars Program and \$100 million for the Centers of Excellence

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168 Program. Notwithstanding s. 216.301, Florida Statutes, and  
169 pursuant to s. 216.351, Florida Statutes, any unexpended balance  
170 from this appropriation shall be carried forward at the end of  
171 each fiscal year until the 2010-2011 fiscal year. At the end of  
172 the 2010-2011 fiscal year, any remaining balance of this  
173

174 ===== T I T L E A M E N D M E N T =====

175 Remove line(s) 19-23 and insert:

176 matching funds to state universities; providing guidelines for  
177 the board in the development of criteria for recommendation to  
178 the Board of Governors; requiring a minimum investment of funds;  
179 specifying the

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